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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91190169
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of App. Ser. No. 77/355,544)	
)	
Susino Umbrella Co., Ltd.,)	
)	
Opposer,)	Opposition No. 91190169
)	
v.)	
)	
Susino USA, LLC)	
)	
Applicant.)	

**OPPOSER’S RESPONSE IN OPPOSITION TO
APPLICANT’S MOTION FOR SUMMARY JUDGMENT**

Pursuant to TBMP § 528, Fed. R. Civ. P. 56, and the Trademark Trial and Appeal Board’s (“Board”) March 18, 2011 Order Granting Relief From Judgment (“Order Granting Relief”), Opposer Susino Umbrella Co., Ltd. (“Opposer”) hereby responds to and opposes the motion for summary judgment filed by Applicant Susino USA, LLC (“Applicant”) in the captioned proceeding, and in support thereof states as follows.

I. INTRODUCTION AND SUMMARY OF ARGUMENT

While the procedural history of this case may seem complex, the facts are simple: Applicant has misappropriated the SUSINO name in order to, among other things, extort approximately one million dollars from Opposer, the senior user and rightful owner of the SUSINO mark. Opposer has exported hundreds of millions of umbrellas worldwide since 1995; it formally adopted the name Susino in 2005; it owns three international registrations for the SUSINO mark dating back to 2004; it has used the SUSINO mark in the United States since 2007; and it has been selling SUSINO-branded umbrellas to customers in the U.S. since 2008.

Applicant, on the other hand, merely solicited customers in the U.S. to purchase Opposer’s umbrellas. At no time has Applicant manufactured, sold, or otherwise offered

SUSINO-branded umbrellas in the U.S. on its own behalf. At no time did Opposer agree to assign, license or otherwise transfer any rights to Applicant for the SUSINO name. Opposer has priority over Applicant in the SUSINO mark because Applicant has never sold or otherwise used the SUSINO mark for its own goods.

In its Summary Judgment Motion, Applicant asks the Board to find, as a matter of law, that the Opposition filed by Opposer should be dismissed and that its application for SUSINO (Serial No. 77/355,544, hereinafter “Application”) proceed to registration, despite the absence of any discovery in this proceeding. Applicant asserts that there are no genuine issues of material fact based *solely* on admissions deemed admitted by default. Applicant’s motion must be denied for the following reasons:

First, as explained more fully in Opposer’s Motion to Withdraw Admissions (“Motion to Withdraw”), filed concurrently herewith, the Board should withdraw the default admissions in order to permit the presentation of the merits in this case. If such default admissions are withdrawn, then the Summary Judgment Motion, which relies entirely on the default admissions, must necessarily fail. In support of this Response and the Motion to Withdraw, Opposer attaches hereto as Exhibit A its responses to the Request for Admissions that it would have provided had Opposer actually had an opportunity to respond to the Request for Admissions. These responses, as well as the declarations and exhibits presently and previously submitted and incorporated herein, conclusively demonstrate the existence of genuine issues of material fact.

Second, even if the Board denies the Motion to Withdraw, the Board may not rely on admissions deemed admitted by default when extrinsic evidence establishes the existence of genuine issues of material fact. Such evidence establishes genuine issues of material fact

regarding Opposer's senior rights in the SUSINO mark, its ownership and common law rights in the mark, and its priority over Applicant in the mark.

Third, the Board may disregard the default admissions because Opposer's inability to respond was based on excusable neglect. The Board should now accept Opposer's responses to the Request for Admissions, attached hereto, in which case it will find the existence of genuine issues of material fact.

II. BACKGROUND

The complex factual and procedural history of this proceeding was described in detail in Opposer's Motion for Relief From Judgment, filed August 20, 2010 ("Motion for Relief") and Opposer's Reply to Applicant's Response to the Motion for Relief, filed October 12, 2010 ("Reply to Applicant's Response to Motion for Relief"), and supplemented by this Response and attached exhibits and Second Declaration of Jianzhang "Jorzon" Wang ("Second Jorzon Decl."). To avoid burdening the Board by restating the facts in their entirety, Opposer incorporates these prior pleadings (including declarations and exhibits) by reference, as if fully set forth in this Response, and states the following facts that are of particular relevance to the Summary Judgment Motion:

A. The Parties

Opposer is a Chinese corporation having offices at Jin'ou Industrial Park Dongshi Town, Jinjiang, FJ 362271 CHINA. (Exh. E (Declaration of Anbang Wang ("Wang Decl.") ¶ 6) (originally filed with Motion for Relief and attached hereto for convenience).) Opposer has been in the business of manufacturing, marketing and selling umbrellas since 1995 and has manufactured and exported nearly 500 million umbrellas worldwide, including shipments of 20 million umbrellas to the United States. (Exh. E (Wang Decl. ¶ 8).) In 2005, Opposer adopted

the name “Susino Umbrella Co., Ltd.” and has operated under that name, and has manufactured umbrellas under the SUSINO mark since that time. (Exh. B (Opposer’s website depicting use of SUSINO mark) (attached hereto); Exh. E (Wang Decl. ¶ 7); Opposer’s Corrected Response to Applicant’s Motion to Dismiss Notice of Opposition (Sept. 15, 2009), Exh. 1 (certificate of name change issued by Fujian Administration for Industry and Commerce).) It currently owns three international registrations for the SUSINO mark dating back to March 2004. (Exh. E (Wang Decl. ¶ 10).) In September 2007, Opposer was listed on the Shenzhen Stock Exchange as Susino Umbrella Co., Ltd. (Exh. C (excerpts from Opposer’s annual report) (attached hereto, full version available at <http://www.susino.com/en/tzgx.asp?classid=19>); Exh. E (Wang Decl. ¶ 8).)

In August 2007, Opposer used the SUSINO mark on its goods in the U.S. at a trade show in Las Vegas, during which time Opposer had secured a booth as an exhibitor and potential supplier. (Second Declaration of Jianzhang “Jorzon” Wang (“Second Jorzon Decl.”) ¶ 8 (attached hereto); Exh. E (Wang Decl. ¶¶ 17-18); Exh. E (Declaration of Jianzhang “Jorzon” Wang (“Jorzon Decl.”) ¶¶ 15-17) (originally filed with Reply to Applicant’s Response to Motion for Relief and attached hereto for convenience).) In October 2008, Opposer began delivering SUSINO-branded umbrellas to U.S. customers, and has since shipped more than 10,000 crates of SUSINO-branded umbrellas to the U.S. (Second Jorzon Decl. ¶ 9-10.)

Opposer’s President, Anbang Wang, the authorized representative for Opposer in this proceeding, cannot read or understand English, and must rely on third parties for the translation and interpretation of all English communications, including those related to business and legal matters. (Exh. E (Wang Decl. ¶¶ 1, 3); Exh. E (Jorzon Decl. ¶¶ 6-7).)

On information and belief, Applicant is a Florida-based limited liability company that first registered with the Florida Secretary of State, Division of Corporations on December 19,

2007 – the same day that its Application was filed with the Board, and *after* Applicant’s claimed dates of first use and first use in commerce. (Motion for Relief, Exh. 1 (Fla. Dept. of State, Div. of Corp., details of Susino USA, LLC).) According to the Florida Secretary of State, Todd Nadrich (“Nadrich”) is Applicant’s “manager,” although more recent correspondence identifies Nadrich as the “President” of Susino USA. (Motion for Relief, Exh. 2 (correspondence where Nadrich identified himself as President of Applicant).) Nadrich is also the named correspondent for Applicant in the Application and this proceeding.

On information and belief, Nadrich’s business partner, Shu-Lian Shyu a/k/a Stephanie Shyu (“Shyu”), also works for Applicant as a “Director.” (Motion for Relief, Exh. 4 (correspondence from Shyu on behalf of Applicant identifying Shyu position with Applicant).) Shyu is or was associated with at least four other companies: TiFu Enterprises, Inc., TiFu Umbrella Co., Sourcing Strategies Inc., and SSM Asia Ltd. (Motion for Relief, Exhs. 3 (Shyu business cards) and 5 (proposed agreement from Shyu indicating companies represented by Shyu).) SSM Asia Ltd. has the same U.S. and Taiwan office addresses as Nadrich’s company, SSM International, and the e-mail addresses that Nadrich and Shyu used to communicate with Opposer between 2002 and 2007 utilize the same domain name, “stsource.com.” (Motion for Relief, Exhs. 3 and 6 (correspondence between Applicant and Opposer indicating use of “stsource.com” email address).) Nadrich and Shyu have used the same “stsource.com” domain as officers of Applicant Susino USA. (Motion for Relief, Exhs. 2, 4, and 7 (correspondence between Applicant, using “stsource.com” email address, and Opposer’s counsel).)

B. Applicant’s Relationship With Opposer

In 2002, Nadrich and Shyu contacted Opposer proposing an arrangement in which Nadrich and Shyu would solicit wholesale customers in the United States for Opposer’s umbrellas. Opposer, as an original equipment manufacturer or OEM, would manufacture

umbrellas branded with the wholesale customer's logo or other markings and ship them directly to the wholesale customer. (Motion for Relief, Exh. 6; Exh. E (Wang Decl. ¶ 11); Exh. E (Jorzon Decl. ¶ 8).)

Pursuant to this arrangement, from 2002 through 2007, Nadrich and Shyu would prepare purchase orders that identified Opposer as the vendor, *i.e.*, the manufacturer of the umbrellas. Nadrich and Shyu would submit these purchase orders to Opposer's sales manager, Jianzhang "Jorzon" Wang ("Jorzon"), or Jorzon's co-worker, Carter Guan, via e-mail using Nadrich and Shyu's corporate email address "@stsource.com" and in many cases copying one another (Nadrich and Shyu) on these emails. (Motion for Relief, Exh. 6; Exh. E (Wang Decl. ¶ 13); Exh. E (Jorzon Decl. ¶ 8-10).)

Opposer's customers would pay Nadrich and Shyu directly for Opposer's umbrellas. Nadrich and Shyu would remit these payments to Opposer after retaining a percentage of the payments as compensation for its efforts. (Second Jorzon Decl. ¶ 7.)

On information and belief, neither Nadrich or Shyu indicated that they were working for, or had any association with, an entity called "Susino USA" during this time. (Exh. E (Wang Decl. ¶ 12); Exh. E (Jorzon Decl. ¶ 11).) At all times relevant to this proceeding, Nadrich and Shyu operated under or on behalf of TiFu Umbrella, SSM International, Sourcing Strategies, among others – but not Susino USA. (Exh. E (Jorzon Decl. ¶ 11); Motion for Relief, Exh. 6.)¹ Nadrich and Shyu's role with respect to Opposer was strictly limited to soliciting wholesale customers for Opposer's umbrellas. (Exh. E (Wang Decl. ¶ 14); Exh. E (Jorzon Decl. ¶ 12).)

¹ Further demonstrating Applicant's attempts to mislead not only Opposer but also its customers, in 2003, Nadrich and Shyu misrepresented to one of Opposer's wholesale customers during a visit to Opposer's factory that Nadrich and Shyu were shareholders of the company, implying an association with Opposer and the SUSINO brand. This was, of course, not true, and Opposer immediately instructed Nadrich and Shyu not to misrepresent themselves in that manner again. (Exh. E (Wang Decl. ¶ 15); Exh. E (Jorzon Decl. ¶ 13).)

By December 2007, Opposer's business relationship with Nadrich and Shyu had deteriorated. In a December 15, 2007 email correspondence to Opposer, Nadrich and Shyu claimed that it "lost financially because we no longer have AS orders, Dyno orders, and now problems with Toppers orders." (Motion for Relief, Exh. 10 (copy of December 15 email); Exh. E (Wang Decl. ¶ 20); Exh. E (Jorzon Decl. ¶ 18).) The email further claimed that Opposer's SUSINO trademark "expired in 2002/3," and that "[t]his was not our doing, whoever handle this for Mr. Wang failed him, not us." Presumably in retaliation for its purported financial and business losses, Nadrich and Shyu then demanded "\$7.5m yuan" (approximately \$1 million) from Opposer to "purchase the [SUSINO] trademark back" for use in the United States, asserting that, "[s]o only left to discuss is whether [Wang] wishes to purchase trademark back or not. It is useless to attempt to litigate this issue, as the cost in legal fees far out weigh the cost to purchase the trademark back. Susino is on stock market is worth over 1.5 billion yuan, is this correct? To ask for \$7.5m yuan is small price to pay for the trademark back to Susino public company." (Motion for Relief, Exh. 10; Exh. E (Wang Decl. ¶ 20); Exh. E (Jorzon Decl. ¶ 18).)

During all times relevant to this proceeding, Nadrich and Shyu merely solicited wholesale customers for Opposer's umbrellas. Neither Applicant, Nadrich or Shyu have never had any ownership interest in the SUSINO mark. (Exh. E (Wang Decl. ¶¶ 11-19).) Opposer never entered into any agreement with Applicant, Nadrich or Shyu for the assignment, license or grant of any rights in the SUSINO mark. (Exh. E (Wang Decl. ¶ 19); Exh. E (Jorzon Decl. ¶ 17).) By Applicant's own admission, Opposer explicitly rejected plans to form a partnership to "launch" the Susino brand in the U.S., further indicating that Opposer specifically declined to convey any rights in the SUSINO mark to Applicant, Nadrich or Shyu. (Motion for Relief, Exhs. 6 (*see, e.g.* e-mail chain between Jorzon, Nadrich, and Shyu, July 17, 2002 and Aug. 1, 2002,

discussing potential business venture to manufacture SUSINO umbrellas in U.S.), 10 (acknowledging rejection of potential business venture to “bring Susino brand to USA as partnership”).)

C. The Opposition And Applicant’s Failure To Properly Serve Discovery

On December 19, 2007, only a few days after Nadrich and Shyu sent the December 15 email to Opposer, Applicant filed the subject Application for the SUSINO mark.² In support of its Application, Applicant submitted as its specimen of use a copy of a page displaying the SUSINO mark. *This specimen, however, is not from any umbrella or other good cited in the Application, but actually comes from Opposer’s brochure for SUSINO products*, and was used by Applicant without Opposer’s knowledge or authorization. (Motion for Relief, Exh. 14; Exh. E (Wang Decl. ¶ 24).) The USPTO nevertheless published the Application for opposition on January 13, 2009. On May 13, 2009 Opposer timely initiated an Opposition proceeding against Applicant’s Application. On June 5, 2009, Applicant filed its Answer, including affirmative defenses.

On December 23, 2009 and January 11, 2010, Applicant purportedly served discovery requests on Opposer. The discovery requests included Interrogatories, Request for Production of Documents, and a Request for Admissions. Opposer, however, did not receive these discovery

² As explained in its Motion for Relief, this was not the first time that Applicant had attempted to obtain a registration for SUSINO. In June 2007, a “Robert Nadrich,” having the same Loxahatchee, Florida address as Applicant and Todd Nadrich, filed an application in that name for the same SUSINO mark plus design (depicting a plum blossom) and Chinese characters that Opposer’s predecessor Hengshun Umbrella had filed for on March 26, 2004 (Serial No. 79/001855), which mark Opposer had already secured through its international registration issued on March 26, 2004 (Int’l Registration No. 822244). In October 2007, “Robert Nadrich” attempted to replace the original mark and design with the SUSINO word mark that is now at issue. On December 15, 2007, Todd Nadrich filed a preliminary amendment attempting to substitute himself as the named applicant. By office action dated December 18, 2007, the examining attorney rejected the amendment of the mark as a material alteration and an inappropriate applicant substitution. (See Motion for Relief at 8-9.)

requests, and thus, never had the opportunity to respond. As clearly indicated on the certificates of service in each of the discovery requests, Applicant used the wrong mailing address. While the certificate of service for Applicant's Request for Admissions also claimed that Applicant emailed the requests to Opposer's email address of record (meihuaumbrella@yahoo.com.cn), that email address has been obsolete for nearly four years, Opposer never authorized use of the email address for this proceeding, and in any event, Opposer did not receive the Request for Admissions. (Exh. E (Wang Decl. ¶ 36); Exh. E (Jorzon Decl. ¶ 23); Opposer's Reply to Applicant's Response to Motion for Relief, Declaration of Carter Guan ("Guan Decl.") ¶ 15-16.) While someone appears to have accessed the email account and corresponded with Applicant, (Applicant's Response to Motion for Relief, Exh. 4), that someone was not Opposer.

D. Applicant's Motion For Summary Judgment By Default

Having received no response from Opposer to its discovery requests, Applicant immediately sought default judgment and filed its Summary Judgment Motion with the Board on March 12, 2010. The Summary Judgment Motion did not include any affidavits or supporting evidence, other than copies of Applicant's discovery requests and previously filed pleadings in the proceeding. Applicant again failed to use Opposer's correct mailing address, and thus, Opposer never received the Summary Judgment Motion. (Exh. E (Wang Decl. ¶ 37-39); Exh. E (Jorzon Decl. ¶ 24).)

The Summary Judgment Motion asserted that Applicant has priority rights over Opposer as a matter of law. In support of its motion, Applicant relied on the absence of any responses by Opposer to its discovery requests, and claimed that because Opposer had not responded to its Request for Admissions, such requests were deemed admitted pursuant to Fed. R. Civ. P. 36. Applicant alleged that there were no genuine issues of material fact to be tried by the Board and that Applicant was, therefore, entitled to summary judgment.

Presuming that Opposer received the Request for Admissions and the Summary Judgment Motion and, having received no response from Opposer, the Board granted the Summary Judgment Motion as conceded in favor of Applicant on June 8, 2010.

E. Opposer's Motion For Relief From Judgment Granted

Opposer did not learn about the Board's Summary Judgment Order until Shyu notified Opposer's sales manager Jorzon via email dated July 1, 2010 (Motion for Relief, Exh. 13 (correspondence from Shyu to Jorzon regarding case); Exh. E (Wang Decl. ¶¶ 39, 42).) Opposer expeditiously filed its Motion for Relief on August 20, 2010, citing Applicant's failure to serve its discovery requests and Summary Judgment Motion on Opposer. (Exh. E (Wang Decl. ¶ 43).)

By order issued March 18, 2011, the Board found that the certificates of service in all of Applicant's discovery requests and the Summary Judgment Motion included an erroneous postal code and were, therefore, "unacceptable on their face to the extent that applicant relies upon them as evidence of service by mail." (Order Granting Relief at 1.) Despite Opposer's multiple sworn declarations to the contrary, however, the Board concluded that the Request for Admissions were properly served upon Opposer based on emails submitted by Applicant purporting to show that "Anbang Wang" had been corresponding with Nadrich via the "meihauumbrella" email account. The Board further noted that "Applicant's motion was primarily based on opposer's failure to respond to requests for admission that applicant served upon opposer on January 11, 2010 that, accordingly, are deemed admitted." (Order Granting Relief, at 2). The Board granted Opposer's Motion for Relief, vacated the Board's June 8, 2010 order granting summary judgment against Opposer, and granted Opposer thirty days to file its response to the Summary Judgment Motion.

III. STANDARD OF REVIEW

As TBMP § 528.01 provides, “[i]n deciding a motion for summary judgment, the function of the Board is not to try issues of fact, but to determine instead if there are any genuine issues of material fact to be tried.” *See Opryland USA Inc. v. The Great American Music Show Inc.*, 970 F.2d 847, 23 USPQ2d 1471, 1472 (Fed. Cir. 1992) (not required to present entire case but just sufficient evidence to show an evidentiary conflict as to the material fact in dispute). A fact is material if it “may affect the decision, whereby the finding of that fact is relevant and necessary to the proceedings.” *Opryland USA Inc. v. The Great American Music Show Inc.*, *supra* at 1472. *See also Institut National Des Appellations d'Origine v. Brown-Forman Corp.*, 47 USPQ2d 1875, 1879 (TTAB 1998) (fact is material when its resolution would affect the outcome of the case).

As explained below, there are multiple grounds on which the Board may find the existence of genuine issues of material fact, any of which precludes summary judgment at this time.

IV. ARGUMENT

Applicant’s Summary Judgment Motion relies solely on the absence of Opposer’s responses to Applicant’s discovery requests to assert that there exists no genuine issue of material fact as to whether Applicant has priority over Opposer as a matter of law. However, the grant of summary judgment on the basis of the default admissions would amount to a default judgment because neither the parties nor the Board would have any opportunity to address the merits of the case. As the Board acknowledged in its Order Granting Relief from Judgment, judgments that do not address the merits of the case are “not favored by the law.” (Order Granting Relief from Judgment at 11.)

Where a motion for summary judgment is premised solely on the opposing party's failure to respond to requests for admissions "with no additional affidavits or exhibits purporting to show that no genuine issue of material fact remain[ed]," as is the case here, courts have determined that "[i]t does not further the interests of justice to automatically determine all the issues in a lawsuit and enter summary judgment against a party because a deadline is missed." *Taylor-Shaw v. Bestway Rent to Own*, 2010 WL 1416536, at *6 (E.D. Ark. Apr. 7, 2010) (quoting *Crussel v. Electrolyze Home Prods., Inc.*, 2007 WL 1020444, at *3 (W.D. Ark. Apr. 2, 2007)).

Applicant's rush to capitalize on the default admissions via summary judgment should not be rewarded. Instead, withdrawal of the admissions would further the "interests of justice" and the Board's preference for resolving cases on their merits. The Board should therefore withdraw or otherwise disregard the default admissions and deny the Summary Judgment Motion.

A. The Board Should Grant Opposer's Motion To Withdraw Under Rule 36(b) To Permit Presentation Of This Opposition on the Merits

As more fully set forth in Opposer's Motion to Withdraw, filed concurrently with this Response, the presentation of the merits in this Opposition proceeding will be subserved if the default admissions were to remain in effect. Fed. R. Civ. P. 36(b) ("Rule 36(b)") provides relief where "the failure to timely respond to a request for admissions has a harsh result." *Hobie Designs Inc. v. Fred Hayman Beverly Hills Inc.*, 41 USPQ2d 2064, 2065 (TTAB 1990). Summary judgment by default is as harsh a result as any, if not more.

If the Board grants the Motion to Withdraw, the Board must then deny the Summary Judgment Motion, which relies solely on the determination that the Request for Admissions were deemed admitted by default. (Order Granting Relief at 2 ("Applicant's motion was primarily

based on opposer's failure to respond to requests for admission that applicant served upon opposer on January 11, 2010 that, accordingly, are deemed admitted.")). Without the default admissions, Applicant can no longer establish that no genuine issues of material of fact exist.³

This is especially true where, as here, the actual evidence contradicts the default admissions. Such evidence, which includes Opposer's responses to the Request for Admissions, attached hereto, and the declarations and exhibits incorporated herein, dispute the claims that, among other things, Applicant has any ownership interest or common law rights in the SUSINO mark, or that it has priority over Opposer in that mark. This evidence creates the existence of genuine issues of material fact, and as such, the Summary Judgment Motion cannot survive. *See Hobie Designs*, at 2065 ("Since opposer's motion for summary judgment is based on the position that the requested admissions as put demonstrate no genuine issues of material fact exist, with the amendment of the admissions opposer's motion must fail."). Accordingly, the Board should grant Opposer's Motion to Withdraw and deny the Summary Judgment Motion.

B. In The Interests Of Justice, The Default Admissions Should Be Disregarded Because They Are Directly Contradicted By The Evidence

Even if the Board denies Opposer's Motion to Withdraw, it should nevertheless deny the Summary Judgment Motion because Rule 36(b) requires the Board to disregard default admissions where actual evidence establishes the existence of genuine issues of material fact.

In *BankAmerica Corp. v. International Travelers Cheque Co.*, the Board denied a motion to withdraw default admissions, but recognized that Rule 36(b) provides relief where evidence exists to rebut the admissions. The Board explained that,

³ To the extent Applicant relies on Opposer's inability to respond to the Interrogatories and Request for Documents, the Board has determined that these discovery requests were improperly served. (Order Granting Relief at 12.) Consequently, Opposer has no obligation to respond to these requests, and the absence of a response cannot be used against Opposer.

Under the circumstances, then, the motion to withdraw answers is also denied on the merits. However, rule 36(b), FRCP provides in part that withdrawal or amendment may be permitted when the presentation of the merits of the action will be subserved thereby and the party who obtained the admission fails to satisfy the court that withdrawal or amendment will prejudice him in maintaining his action or defense on the merits. In this regard, where [a party] has offered some evidence which has the effect of rebutting the facts admitted in response to ... requests for admissions, the Board, in the interests of justice, will not grant summary judgment based on those particular admissions which have been rebutted by evidence which at least raise a question of fact as to that matter admitted.

205 USPQ 1233, 1235 (TTAB 1979). *See also* TBMP § 407.04 n. 178 (citing *BankAmerica Corp.*).

Applicant's Summary Judgment Motion claims that "Opposer has not used the mark SUSINO in commerce and has no pending application nor has presented any evidence or documentation where Opposer can show they have priority rights over Applicant." (Summary Judgment Motion at 4). Applicant concludes by asserting that "[i]n view of Opposer [sic] admission that they do not have priority rights over Applicant's application in the mark SUSINO, Applicant is entitled to summary judgment as a matter of law." (Summary Judgment Motion at 6.)

To the contrary, there is substantial evidence that directly rebuts the "admitted" facts that purport to establish that Applicant has priority rights in the SUSINO mark. The "actual" facts, as established by Opposer's responses to the Request for Admissions, attached hereto, and the declarations and exhibits incorporated herein, demonstrate, among other things, that Opposer, is the senior user and rightful owner of the SUSINO mark, has common law rights in the mark, and that it has priority over Applicant in the mark.

1. Opposer is the senior user and rightful owner of the SUSINO Mark

Opposer is the senior user and rightful owner of the SUSINO mark, and has common law rights in the mark that trump any rights Applicant may claim to have in the mark. As explained above, Opposer has manufactured and exported nearly 500 million umbrellas from its Chinese factory to over 100 countries throughout the world since 1995, and has operated under its current name, Susino Umbrella Co., Ltd., since late 2005. Opposer is listed on the Shenzhen Stock Exchange as “Susino Umbrella Co., Ltd.,” and currently owns three international registrations for the SUSINO mark dating back to March 2004. In August 2007, Opposer began using the SUSINO mark in the United States, and since October 2008, has shipped over 10,000 crates of SUSINO-branded umbrellas to customers in the U.S.

Indeed, Applicant has at least twice acknowledged that the SUSINO mark belongs to Opposer, first when it attempted to extort approximately \$1 million from Opposer by offering to sell the SUSINO mark “back” to Opposer, and again when it questioned Opposer’s counsel whether Opposer was denying that it had authorized Applicant to file its application for the SUSINO mark for Opposer’s benefit—a tacit, if not express, admission that Applicant recognizes Opposer as the rightful owner of the SUSINO mark. (Motion for Relief, Exh. 7 (“Is Mr. Wang denying he gave authorization to go forward with insuring the right to the trademark were protected [sic]? Because our director is willing to testify that [Mr. Wang] was well aware and agreed to our efforts to protect the rights of our financial investment in the USA.”).)

In fact, Applicant has *no* rights – by ownership, common law, assignment, license, transfer or otherwise – to the SUSINO mark. Applicant (Nadrich and Shyu) merely solicited wholesale customers in the United States for Opposer’s benefit. Indeed, it is extremely telling that, in response to Opposer’s Motion for Relief, Applicant did not even assert that it was manufacturing, selling, or otherwise offering SUSINO-branded goods in U.S. commerce. In

claiming that grant of the Motion for Relief would “substantially prejudice Applicant’s business interests,” (Response to Motion for Relief at 5-6), Applicant did not submit any evidence demonstrating that grant of the Motion for Relief would have a negative impact on Applicant’s purported umbrella business or its obligations to customers, since it has none with respect to SUSINO-branded goods. Applicant falsely represented to the USPTO that it was offering SUSINO-brand goods at the time of filing its Application (the Application was filed on a 1(a) basis); that it first used such SUSINO-branded umbrellas in commerce as of December 10, 2007; and that it first began using the SUSINO mark on umbrellas on June 1, 2007. Applicant’s specimen of use filed in support of its Application was actually Opposer’s brochure for Opposer’s SUSINO products.⁴

The Board should rely on “actual” facts established by evidence, rather than “admitted” facts established by default, especially when the “actual” facts directly contradict the default admissions, including, in particular, Applicant’s claim that it has any ownership or common law rights in the SUSINO mark. Such contradictions demonstrate that there are genuine issues of material fact that preclude summary judgment at this time.

2. Opposer has priority because Applicant has never used the SUSINO mark

Applicant’s claim that it first began using the mark on June 1, 2007 is demonstrably false because its claim of first use is impermissibly premised on Opposer’s use. Consequently,

⁴ The situation is similar to (though not precisely the same) as trademark ownership disputes between manufacturers and dealers. In particular, where there is an absence of an agreement determining ownership (which is the case here), both the Board and federal courts “will presume that the manufacturer of the goods is the owner of the trademark of these goods.” *See* McCarthy on Trademarks § 16.48, at 16-99 (2009). In this case, there is no agreement, express or implied, oral or written, between Opposer and Applicant concerning ownership or the right to use the mark. Thus, Opposer, as the manufacturer, is presumed to be the owner of the trademark of the goods.

Opposer has priority over Applicant because Applicant has no sales or any other use of the SUSINO mark.

As noted above, Applicant submitted a copy of Opposer's brochure depicting the SUSINO mark as Applicant's specimen of use, without Opposer's knowledge or permission. Rather than buttressing its claim to the SUSINO mark, Applicant's misappropriation of Opposer's marketing materials to support its application demonstrates that Applicant has no legitimate use of the SUSINO mark.

In contrast, Opposer has substantial use and sales of goods bearing the SUSINO mark throughout the world, including the U.S. In addition to holding three international registrations for SUSINO, Opposer has used the mark in the U.S. since August 2007, and has been shipping SUSINO-branded umbrellas to the U.S. since October 2008. It does not appear that Applicant manufactures, sells or otherwise offers any SUSINO-branded goods in the U.S., and it certainly was not doing so in 2007 when it filed for – and claimed first use of – the SUSINO mark.

The Board should rely on “actual” facts established by evidence, and not “admitted” facts established by default. The contradictions raised by the “actual” facts demonstrate that there are genuine issues of material fact concerning priority in the SUSINO mark that preclude summary judgment at this time.

C. Opposer's Inability To Respond To The Requests For Admissions Is A Result Of Excusable Neglect

Opposer's inability to timely respond to Applicant's Request for Admissions is a result of excusable neglect due to actions beyond its control, namely, the fact that Opposer never received the Request for Admissions.⁵ See TBMP § 407.03(a).

The U.S. Supreme Court addressed the issue of "excusable neglect" in *Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. Partnership*, 507 U.S. 380 (1993). The *Pioneer* Court noted that the concept of "excusable neglect" "is a somewhat 'elastic concept' and is not limited strictly to omissions caused by circumstances beyond the control" of the party requesting relief. *Id.* at 392. Moreover, the Court concluded that the determination of excusable neglect was, at bottom, an equitable determination, taking account of all relevant circumstances concerning the party's omission. *Id.* at 395. The circumstances to consider are (1) danger of prejudice to the opposing party, (2) the length of the delay and its potential impact on the proceedings, (3) the reason for the delay, including whether it was within the reasonable control of the movant, and (4) whether the movant acted in good faith. *Id.* The Board has held that the second and third factors are considered the dominant factors. *Pumpkin Ltd. v. The Seed Corps.*, 43 USPQ2d 1582,

⁵ Although the Board determined that Opposer had "effectively consented to service by e-mail" at the email address, meihuaumbrella@yahoo.com, and that it did receive the Request for Admissions at that email address, (Order Granting Relief at 12), the Board's conclusion necessarily presupposes that the party with whom Applicant was communicating at the "meihuaumbrella" address was, in fact, Opposer. As explained in Opposer's Reply to Applicant's Response to Motion for Relief, the emails and email tracking report submitted by Applicant show only that *someone* accessed the "meihuaumbrella" account, but do not otherwise prove that **Opposer** accessed the account or was corresponding with Nadrich. This position was supported by sworn declarations from three individuals demonstrating that Opposer did not know that the email address was being used in this proceeding, and that Opposer was not using the email address to correspond with Nadrich. (Exh. E (Wang Decl. ¶ 36); Exh. E (Jorzon Decl. ¶ 22); Reply to Applicant's Response to Motion for Relief, Guan Decl. ¶ 15.) The Board summarily accepted Applicant's email exhibits for more than they purport to show – that it was in fact Wang that communicated with Nadrich through the "meihuaumbrella" account, which was not the case.

1588 (TTAB 1997); *Gaylord Entertainment Co. v. Calvin Gilmore Prod., Inc.*, 59 USPQ2d 1369 (TTAB 2000).

These factors must be considered in light of all the relevant circumstances concerning Opposer's inability to respond to the Request for Admissions. Such circumstances were described in detail in Opposer's Motion for Relief, including the fact that Opposer did not receive any of Applicant's discovery requests; did not know that Opposer had initiated discovery; did not know that Applicant was corresponding via the "meihuaumbrella" email account with someone that was *not* Opposer; and that the reason for the delay was not within the reasonable control of Opposer.

Opposer's inability to respond was not intentional. Had Opposer received the Request for Admissions, it would have provided the responses set forth in the attached responses to the Request for Admissions (Exhibit A). These responses establish that there are genuine issues of material fact in this proceeding, such that summary judgment at this juncture would be wholly inappropriate.

D. Opposer Should Be Granted Additional Time To Engage In Discovery

Upon filing of the Summary Judgment Motion, the Board suspended this proceeding pending determination of that motion. At that time, two months remained before the close of the discovery period. (Order Granting Relief at 2). If the Board denies the Summary Judgment Motion and recommences this proceeding, Opposer requests that the Board extend the discovery period for an additional 90 days, or such other time that the Board deems appropriate, to afford the parties sufficient time to serve and respond to discovery and to depose witnesses as provided for in the Board's rules.

V. CONCLUSION

WHEREFORE, Opposer respectfully submits that the evidence submitted in this proceeding, including Opposer's responses to the Request for Admissions, attached hereto, and the declarations and exhibits incorporated herein, directly contradict the default admissions, thus establishing the existence of genuine issues of material fact. The Board should deny the Summary Judgment Motion by granting Opposer's Motion to Withdraw, deny the Summary Judgment Motion in light of the "actual" facts in this case, and/or disregard the default admissions due to Opposer's excusable neglect.

Respectfully submitted,

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April 18, 2011

CERTIFICATE OF SERVICE

I hereby certify that a complete and true copy of the foregoing **OPPOSER'S RESPONSE IN OPPOSITION TO APPLICANT'S MOTION FOR SUMMARY JUDGMENT**, along with its accompanying declaration and exhibits, including its responses to the Request for Admissions, was sent via email and first-class mail on April 18, 2011 to the following:

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